- A9340-2:U vol 1 7/83 -

INDEPENDENT TELEPHONE STATISTICS

For the year 1982
Published July, 1983
United States
Independent
Telephone
Association
1801 K Street, N.W.
Washington, D.C.
20006

VOLUME 1
1983
EDITION

UNITED STATES INDEPENDENT TELEPHONE ASSOCIATION

The United States Independent Telephone Association was organized in 1897 for the purpose of promoting the general welfare of the individual firms and corporations engaged in providing Independent telephone service in cities, communities and rural areas in the United States and its territories as well as the manufacturers and suppliers of equipment and material needed to meet these service requirements. The Association was incorporated under the laws of the state of Illinois in 1915.

One of the activities engaged in by the Association in serving its members is that of publishing annually a volume containing statistical data and other information relating to the Independent telephone industry.

The format and extent of the statistical data and other information have been changed from time to time in order to enhance the usefulness of this publication.

We wish to express appreciation to those companies which have contributed to the publication of the volume by submitting underlying operating data and other information.

July 1983 *United States Independent Telephone Association*

STATISTICS

OF THE

INDEPENDENT

TELEPHONE INDUSTRY

Data compiled by

Courtney S. Snyder,

Director of Statistics

Price $10.00 per copy (Volume No. 1)

Printed in the United States of America

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By United States Independent Telephone Association

SCOPE

The information contained in this Annual Statistical Volume is based on information submitted to the United States Independent Telephone Association by 754 companies (Class A 715 and Class B 39). These companies represent the following percentage of the total Independent telephone industry.

Companies	52.65
Exchanges	87.24
Employees	96.89
Access Lines	97.57
Plant	97.94
Operating Revenues	96.87

For its accounting purposes the Federal Communications Commission has established the following classifications based on annual operating revenues:

Class A	$250,000 and over
Class B	$100,000–$249,999

Due to variations in the number of companies reporting for the periods involved, as well as changes in individual company classification, care should be exercised when making comparisons based upon data contained herein.

Information relating to telephone development in areas served by the Bell System and certain other data have been furnished by the American Telephone and Telegraph Company.

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STATISTICAL SUMMARY OF THE TELEPHONE INDUSTRY IN THE UNITED STATES

	Independents	Bell System (2)	Total Bell & Independents
		ACCESS LINES (000 Omitted)	
1982	21 672	86 921	108 593
1981	21 429	85 987	107 416
1980	20 808	83 884	104 692
1979	20 078	81 400	101 478
1978	19 246	78 366	97 612
1977	18 345	75 125	93 470
1976	17 538	72 308	89 846
1975	16 855	69 880	86 735
1974	16 368	67 899	84 267
1973	15 739	65 825	81 564
		OPERATING COMPANIES	
1982	1 432	25	1 457
1981	1 459	25	1 484
1980	1 483	25	1 508
1979	1 488	25	1 513
1978	1 527	25	1 552
1977	1 556	25	1 581
1976	1 590	25	1 615
1975	1 618	25	1 643
1974	1 641	25	1 666
1973	1 695	25	1 720
		EXCHANGES	
1982	11 074	6 874	17 948
1981	11 086	6 872	17 958
1980	11 040	6 717	17 757
1979	11 050	6 654	17 704
1978	11 053	6 705	17 758
1977	11 045	6 711	17 756
1976	11 040	6 712	17 752
1975	11 057	6 722	17 779
1974	11 048	6 728	17 776
1973	11 026	6 734	17 760

STATISTICAL SUMMARY OF THE TELEPHONE INDUSTRY IN THE UNITED STATES

	Independents	Bell System (2)	Total Bell & Independents
TOTAL INVESTMENT IN PLANT (000 Omitted)			
1982	$41 500 000	160 198 838	$201 698 838
1981	38 298 000	148 812 635	187 110 635
1980	35 300 000	135 524 245	170 824 245
1979	31 644 000	123 866 601	155 510 601
1978	27 788 000	112 989 445	140 777 445
1977	25 130 000	103 576 259	128 706 259
1976	23 000 000	96 340 000	119 340 000
1975	21 200 000	89 194 378	110 394 378
1974	19 600 000	82 700 000	102 300 000
1973	$17 418 533	75 520 000	$92 938 533
TOTAL OPERATING REVENUES ($000 Omitted)			
1982	$13 880 000	65 698 356	$79 578 356
1981	12 206 000	59 384 614	71 590 614
1980	10 475 000	51 865 610	62 340 610
1979	9 240 000	46 430 667	55 670 667
1978	8 085 000	41 952 941	50 037 941
1977	7 115 000	37 260 406	44 375 406
1976	6 300 000	33 517 965	39 817 965
1975	5 500 000	29 590 723	35 090 723
1974	4 920 000	26 761 000	31 681 000
1973	$ 4 316 990	24 072 000	$28 388 990
EMPLOYEES			
1982	192 100	840 675	1 032 775
1981	197 200	874 000	1 071 200
1980	194 000	868 000	1 062 000
1979	190 000	855 000	1 045 000
1978	179 000	823 000	1 002 000
1977	167 000	785 100	952 100
1976	160 000	778 000	938 000
1975	158 000	788 000	946 000
1974	163 000	812 000	975 000
1973	161 000	818 200	979 200

(2) The Bell System data includes the Southern New England Telephone Company, the Cincinnati Bell Inc. and Bell System service telephones. These companies are associated with the Bell System but a majority of their common stocks are not owned by the American Telephone and Telegraph company.

NOTE: Information with respect to total investment in plant, total operating revenues and employees included above for independent companies not reporting to the United States Independent Telephone Association has been estimated.

STATISTICAL SUMMARY OF THE INDEPENDENT TELEPHONE INDUSTRY IN THE UNITED STATES

	Reporting Companies	Non-Reporting Companies	Total
	ACCESS LINES (000 Omitted)		
1982	21 146	526	21 672
1981	20 561	868	21 429
1980	19 412	1 396	20 808
1979	18 576	1 502	20 078
	OPERATING COMPANIES		
1982	754	678	1 432
1981	768	691	1 459
1980	765	718	1 483
1979	755	733	1 488
1978	761	766	1 527
1977	757	799	1 556
1976	764	826	1 590
1975	731	887	1 618
1974	698	943	1 641
1973	700	995	1 695
	EXCHANGES		
1982	9 661	1 413	11 074
1981	9 629	1 457	11 086
1980	9 462	1 578	11 040
1979	9 399	1 651	11 050
1978	9 231	1 822	11 053
1977	9 241	1 804	11 045
1976	9 198	1 842	11 040
1975	9 077	1 980	11 057
1974	8 890	2 158	11 048
1973	8 731	2 295	11 026

STATISTICAL SUMMARY OF THE INDEPENDENT TELEPHONE INDUSTRY IN THE UNITED STATES

	Reporting Companies	Non-Reporting Companies	Total
TOTAL INVESTMENT IN PLANT ($000 Omitted)			
1982	$40 548 413	951 587	$41 500 000
1981	37 574 849	723 151	38 298 000
1980	34 099 864	1 200 136	35 300 000
1979	30 899 236	744 764	31 644 000
1978	26 830 699	957 301	27 788 000
1977	24 256 743	873 257	25 130 000
1976	22 167 383	832 617	23 000 000
1975	20 311 205	888 795	21 200 000
1974	18 607 655	992 345	19 600 000
1973	$16 409 893	1 008 640	$17 418 533
TOTAL OPERATING REVENUES ($000 Omitted)			
1982	$13 445 249	434 751	$13 880 000
1981	11 859 909	346 091	12 206 000
1980	10 176 779	298 221	10 475 000
1979	9 073 145	166 855	9 240 000
1978	7 806 836	278 164	8 085 000
1977	6 864 461	250 539	7 115 000
1976	6 072 006	227 994	6 300 000
1975	5 293 918	206 082	5 500 000
1974	4 713 679	206 321	4 920 000
1973	$4 113 542	203 448	$4 316 990
AVERAGE DAILY CONVERSATIONS (000 Omitted)			
1982	196 946	4 854	201 800
1981	197 331	3 769	201 100
1980	187 474	4 526	192 000
1979	179 554	3 446	183 000
1978	163 078	5 922	169 000
1977	153 670	5 630	159 300
1976	145 849	5 651	151 500
1975	140 202	5 798	146 000
1974	136 007	6 993	143 000
1973	126 900	7 725	134 625

Facing Change

"PhoneFacts '83" tells you about a new system of paying for long-distance service. Recent "PhoneFacts" have reported on other aspects of deregulation and competition. Divestiture of the Bell System operating companies from the American Telephone & Telegraph Co. adds another major dimension of change. In January 1984 all these new pieces of the national telephone picture are scheduled to be in place. You will have a new world of telephone service.

This prospect makes it important to restate the position of your Independent local exchange telephone company.

Your telephone company opposed many of the regulatory changes that are taking place. Not because we oppose competition as such, but because we believe the impact of the changes on consumers was not researched or understood.

The industry's views did not prevail among federal regulators. The industry sought congressional legislation to set proper guidelines. No legislation has been passed.

Yet these changes are becoming facts of life. What is the independent companies' policy now.

It's simple. To emphasize strongly the good things—greater choice in equipment and service arrangements, availability of new technology. To try to minimize the results consumers don't welcome—such as higher local rates, complexities in service arrangements, possible threats to the quality of service.

Our basic policy really remains the same: to provide the best service at the least cost possible. This is our pledge to you. We invite you to discuss your opportunities and questions with your local telephone company.

A Message from Robert M. Pirnie
President, USITA

VITAL FACTS ABOUT THE INDEPENDENT COMMUNICATIONS INDUSTRY

- Independents now number 1,432 companies with 192,100 employees. During 1981 due to consolidations there was a decrease of 27 operating companies.
- Access Lines now served by Independents number 21,671,900, about one of every five in the United States, in 11,074 exchanges serving about 59% of the nation's geographic service area.
- Investment in plant and facilities is now $41 billion and total plant investment is the equivalent of $215,513 per employee. About $4.7 was spent in 1982 for upgrading service and facilities estimated for 1983 $4.4 billion.
- Independent Revenues in 1982 climbed the 13.7 per cent to $13,880 billion, an increase of $1,674 million over 1981. This compares with an increase in Bell System revenues of 10.6 per cent.
- Growth has been a hallmark of the Independent industry since the end of World War II. Gross revenues have grown at an average annual rate of 13.9 per cent since 1973 compared with Bell's 11.9 per cent.

The Independent 100

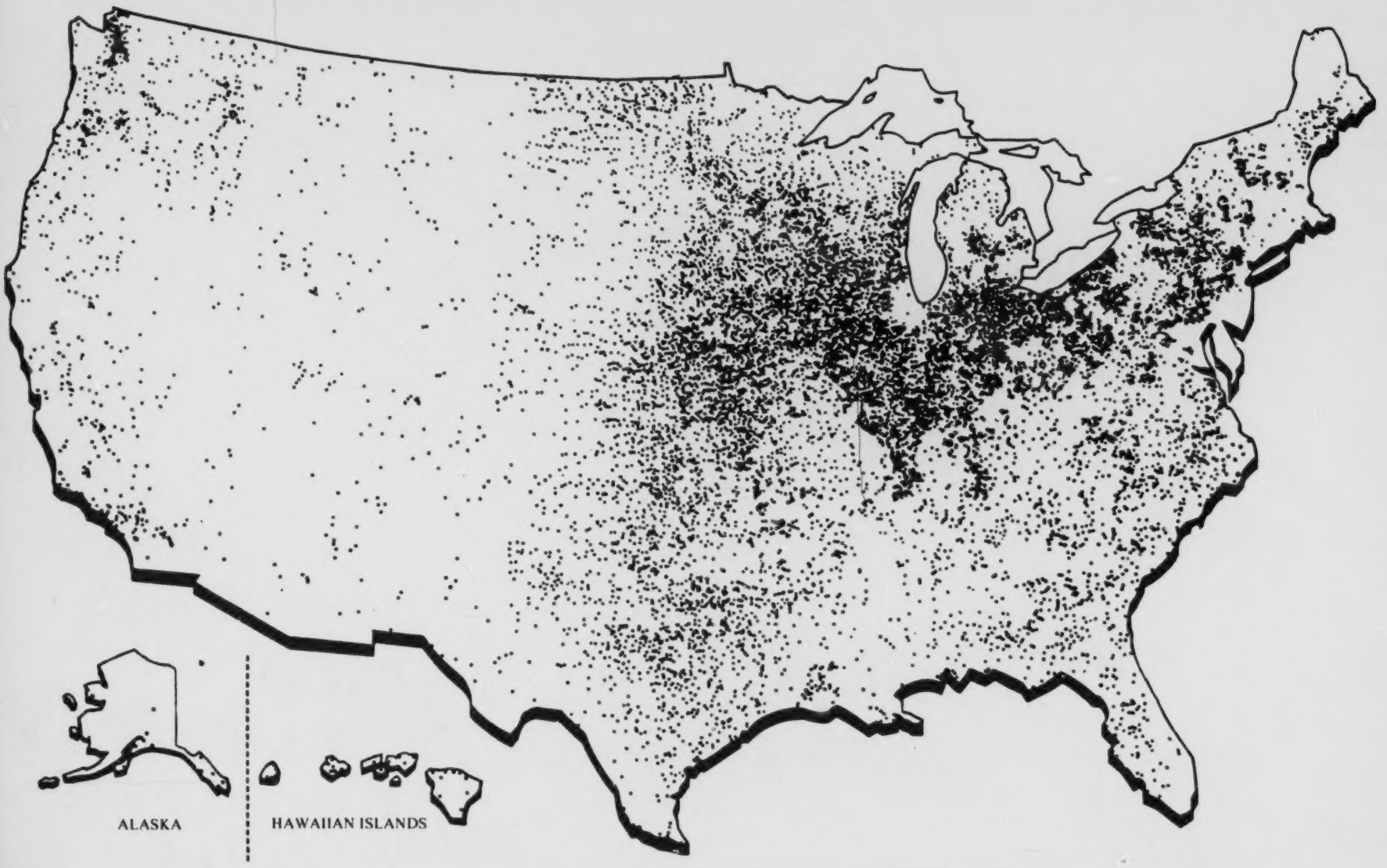
(Largest companies reporting to USITA, Including Holding Companies)

In Order of Operating Revenues for 1982	Telephone Operating Revenues	Access Lines
1. GTE Corporation, (U.S. Only), *Stamford, Conn.**	$6,611,000,000	9.702,000
2. United Telephone System, Inc., *Kansas City, Missouri**	1,833,624,000	2,943,700
3. Continental Telecom Inc., (U.S. Only), *Atlanta, Georgia**	1,326,336,000	2,089,300
4. Centel Corporation, *Chicago, Illinois**	691,210,000	1,176,900
5. Pacific Telecom, Inc., *Vancouver, Washington*‡	341,078,000	136,100
6. Mid-Continent Telephone Corp., *Hudson, Ohio**	329,880,000	697,500
7. Puerto Rico Telephone Company, *San Juan, Puerto Rico*	296,080,000	476,500
8. Rochester Telephone Corp., *Rochester, New York**	222,310,000	429,500
9. Lincoln Telephone & Telegraph Co., *Lincoln, Nebraska*‡	115,993,000	195,400
10. Century Telephone Enterprises, Inc., *Monroe, Louisiana**	92,093,000	196,000
11. Anchorage Telephone Utility, *Anchorage, Alaska*	73, 717,000	98,000
12. Telephone and Data Systems, Inc., *Chicago, Illinois*†	70,257,000	166,700
13. Allied Telephone Company, *Little Rock, Arkansas**	68,283,000	137,100
14. Citizens Utilities Company, *Stamford, Connecticut*	67,416,000	75,700
15. Commonwealth Telephone Company, *Dallas, Pennsylvania*‡	56,944,000	143,200
16. CP National Corporation, *Concord, California*‡	53,577,000	55,400
17. Illinois Consolidated Telephone Co., *Mattoon, Illinois*	48,954,000	73,300
18. Virgin Islands Telephone Corp., *St. Thomas, Virgin Islands*	31,568,000	30,500
19. Roseville Telephone Company, *Roseville, California*	30,376,000	46,400
20. North State Telephone Company, *High Point, North Carolina*	26,974,000	67,400
21. Puerto Rico Communications Authority, *San Juan, Puerto Rico*	26,550,000	52,600
22. North-West Telephone Company, *Tomah, Wisconsin*†	23,217,000	46,700
23. Concord Telephone Company, *Concord, North Carolina*	20,058,000	61,600
24. Universal Telephone Company, *Milwaukee, Wisconsin*‡	18,615,000	39,500
25. North Pittsburgh Telephone Company, *Gibsonia, Pennsylvania*	18,221,000	31,800
26. Fairbanks Municipal Utilities System, *Fairbanks, Alaska*	17,877,000	19,700
27. Pioneer Telephone Cooperative, Inc., *Kingfisher, Oklahoma*	17,368,000	28,500
28. Standard Telephone Company, *Cornelia, Georgia*	16,264,000	27,900
29. Conroe Telephone Company, *Conroe, Texas*	16,097,000	26,600
30. Lufkin Telephone Exchange, Inc., *Lufkin, Texas*	14,197,000	24,800
31. Farmers Telephone Cooperative, Inc., *Kingstree, South Carolina*	14,020,000	27,300
32. Mankato Citizens Telephone Co., *Mankato, Minnesota*	14,010,000	28,900
33. Rock Hill Telephone Company, *Rock Hill, South Carolina*	13,987,000	24,200
34. St. Joseph Telephone & Telegraph Co., *Port St. Joe, Florida*	13,606,000	16,600
35. Chillicothe Telephone Company, *Chillicothe, Ohio*	13,200,000	23,300
36. Clifton Forge-Waynesboro Tel. Co., *Staunton, Virginia*	12,976,000	23,100
37. Vista-United Telecommunications, *Lake Buena Vista, Florida*	12,062,000	2,000
38. Matanuska Telephone Association, Inc., *Palmer, Alaska*	12,012,000	15,300
39. Hargray Telephone Company, Inc., *Hilton Head Island, S.C.*	11,836,000	15,700
40. Sugar Land Telephone Company, *Sugar Land, Texas*	11,650,000	19,300
41. Conestoga Telephone Company, *Birdsboro, Pennsylvania*	11,192,000	27,300
42. Denver and Ephrata Tel. & Tel. Co., *Ephrata, Pennsylvania*	10,582,000	28,400
43. Lafourche Telephone Company, *Larose, Louisiana*	10,137,000	10,000
44. Northern States Power Company, *Minot, North Dakota*	9,448,000	23,200
45. Guam Telephone Authority, *Tamuning, Guam*	9,250,000	21,700
46. San Marcos Telephone Company, Inc., *San Marcos, Texas*	9,150,000	15,000
47. East Ascension Telephone Company, Inc., *Gonzales, Louisiana*	8,767,000	15,800
48. Horry Telephone Cooperative, Inc., *Conway, South Carolina*	8,214,000	22,800
49. Wood County Telephone Company, *Wisconsin Rapids, Wisconsin*	8,210,000	18,300
50. Fort Bend Telephone Company, *Rosenberg, Texas*	8,143,000	12,900

*Company or parent listed on N.Y. Stock Exchange
†Company derives revenue from toll network
‡Over-the-Counter market

In Order of Operating Revenues for 1982	Telephone Operating Revenues	Access Lines
51. Lexington Telephone Company, Inc., *Lexington, North Carolina*	$8,120,000	18,800
52. Heins Telephone Company, *Sanford, North Carolina*	7,977,000	18,400
53. Taconic Telephone Corporation, *Chatham, New York*	7,738,000	16,500
54. Gulf Telephone Company, *Foley, Alabama*	7,693,000	14,200
55. Cencom, Inc., *Rushford, Minnesota*	7,640,000	18,800
56. Gand River Mutual Telephone Corp., *Princeton, Missouri*	7,594,000	18,800
57. Sierra Telephone Company, Inc., *Oakhurst, California*	7,347,000	9,100
58. Golden West Telecommunications Co-op., *Wall, South Dakota*	7,161,000	10,000
59. Eastex Telephone Cooperative, Inc., *Henderson, Texas*	7,089,000	17,100
60. Lancaster Telephone Company, *Lancaster, South Carolina*	6,907,000	13,900
61. South Central Rural Tel. Co-op Corp., *Glasgow, Kentucky*	6,595,000	16,700
62. Kerrville Telephone Company, *Kerrville, Texas*	6,582,000	11,700
63. Ellensburg Telephone Company, Inc., *Ellensburg, Washington*	6,535,000	12,400
64. Cameron Telephone Company, *Sulphur, Louisiana*	6,498,000	6,200
65. Mid-Rivers Telephone Cooperative, Inc., *Circle, Montana*	6,421,000	5,600
66. Ben Lomand Rural Telephone Co-op, Inc., *McMinnville, Tennessee*	6,317,000	22,800
67. Twin Lakes Telephone Cooperative Corp., *Gainsboro, Tennessee*	6,309,000	18,900
68. Guadalupe Valley Telephone Co-op., Inc., *New Braunfels, Texas*	6,238,000	10,200
69. Woodbury Telephone Company, *Woodbury, Connecticut*	6,235,000	11,600
70. Souris River Tel., Mutual Aid Co-op., *Minot, North Dakota*	6,231,000	11,900
71. Mid-Plains Telephone Inc., *Middleton, Wisconsin*	6,075,000	11,400
72. Enterprise Telephone Company, *New Holland, Pennsylvania*	6,031,000	14,200
73. Warwick Valley Telephone Company, *Warwick, New York*	5,965,000	12,900
74. Triangle Telephone Co-op. Assn., Inc., *Havre, Montana*	5,931,000	75,00
75. Millington Telephone Company, Inc., *Millington, Tennessee*	5,880,000	14,100
76. Smithville Telephone Company, Inc., *Ellettsville, Indiana*	5,857,000	17,500
77. Garden Valley Telephone Company, *Erskine, Minnesota*	5,839,000	12,200
78. Brandenburg Telephone Company, *Brandenburg, Kentucky*	5,816,000	13,800
79. Craw-Kan Tel. Co-op Assn., Inc., *Girard, Kansas*	5,724,000	12,900
80. Princeton Telephone Company, *Princeton, Indiana*	5,694,000	13,600
81. CC&S Systems Inc., *Jackson, Michigan*	5,614,000	15,200
82. Harrisonville Telephone Company, *Waterloo, Illinois*	5,478,000	12,300
83. Rhinelander Telephone Company, *Rhinelander, Wisconsin*	5,473,000	12,600
84. Pioneer Telephone Association, Inc., *Ulysses, Kansas*	5,456,000	10,300
85. United Telequipment Corporation, *Monroe, Wisconsin*	5,391,000	10,100
86. Big Bend Telephone Company, Inc., *Alpine, Texas*	5,338,000	2,200
87. Shenandoah Telephone Company, *Edinburg, Virginia*	5,292,000	12,600
88. Home Telephone Company, Inc., *Moncks Corner, South Carolina*	5,246,000	9,700
89. Urban Telephone Corporation, *Clintonville, Wisconsin*	5,224,000	15,300
90. Missouri Telephone Company, *Columbia, Missouri*	5,145,000	13,700
91. Northwestern Indiana Tel. Company, *Hebron, Indiana*	5,105,000	10,500
92. Interstate Telephone Company, *West Point, Georgia*	5,033,000	8,200
93. Southland Telephone Company, *Atmore, Alabama*	4,854,000	11,100
94. Ace Telephone Association, *Houston, Minn.*	4,689,000	13,800
95. East Otter Tail Telephone Company, *Perham, Minnesota*	4,675,000	11,400
96. Pioneer Telephone Cooperative, *Philomath, Oregon*	4,658,000	8,700
97. Monroeville Telephone Company, Inc., *Monroeville, Alabama*	4,619,000	8,600
98. Citizens Telephone Company, *Brevard, North Carolina*	4,543,000	10,300
99. Churchill County Tel. & Tel. System, *Fallon, Nevada*	4,542,000	6,300
100. Cascade Utilities, Inc., *Estacada, Oregon*	4,536,000	6,500

11074 INDEPENDENT TELEPHONE EXCHANGES (EACH DOT AN EXCHANGE)



INDEPENDENT TELEPHONE CONSTRUCTION EXPENDITURES

($000 Omitted)

1982	$4,695,000
1981	4,852,000
1980	4,544,000
1979	4,205,000
1978	3,471,000
1977	2,797,000
1976	2,481,000
1975	2,422,000
1974	2,618,000
1973	2,325,000
1972	2,053,000
1971	1,953,000
1970	1,665,000
1969	1,560,000
1968	1,366,000
1967	1,254,000
1966	1,130,000
1965	928,000
1964	780,000
1963	677,000

INDEPENDENTS BY STATE

December 31, 1982

State	Companies 1982	Access Lines 1982
Alabama	29	329,972
Alaska	27	180,000
Arizona	5	64,765
Arkansas	29	285,097
California	24	2,422,150
Colorado	25	30,177
Connecticut	2	11,728
Florida	10	2,172,466
Georgia	33	393,914
Hawaii	1	445,000
Idaho	12	102,963
Illinois	58	1,028,968
Indiana	49	891,218
Iowa	156	456,452
Kansas	39	204,810
Kentucky	18	440,884
Louisiana	22	122,582
Maine	18	71,896
Maryland	1	3,114
Massachusetts	3	3,113
Michigan	45	611,223
Minnesota	91	464,062
Mississippi	21	55,226
Missouri	41	524,479
Montana	16	71,636
Nebraska	48	378,381
Nevada	5	292,647
New Hampshire	11	25,979
New Jersey	5	96,587
New Mexico	9	76,573
New York	44	833,133
North Carolina	27	1,247,033
North Dakota	22	88,420
Ohio	40	1,294,905
Oklahoma	36	245,594
Oregon	27	365,954
Pennsylvania	48	1,166,165
South Carolina	25	369,995
South Dakota	31	69,550
Tennessee	29	363,247
Texas	69	1,344,188
Utah	11	24,874
Vermont	8	36,830
Virginia	20	565,962
Washington	24	565,256
West Virginia	9	111,149
Wisconsin	99	705,132
Wyoming	10	16,411
Total	**1,432**	**21,671,910**

GENERAL COMPOSITE SUMMARY OF REPORTING COMPANIES

	1982	1981	1980	1979	1978
Number of Reporting Companies	754	768	765	755	761
Number of Exchanges	9 661	9 629	9 462	9 399	9 231
Number of Access Lines	21 145 593	20 561 000	19 412 000	18 576 000	——
Service Telephones	194 804	214 322	133 330	113 757	77 704
Telephone Plant in Service**	$38 847 423	35 985 540	32 491 329	29 378 713	$25 640 259
Depreciation Reserve**	$10 219 593	8 904 740	7 820 325	6 979 960	$6 063 285
Funded Debt—Bonds**	$8 942 146	8 446 228	8 066 697	6 980 133	$6 030 643
Funded Debt—Other**	$4 352 331	4 341 187	3 941 286	3 687 724	3 221 402
Preferred Stock**	809 705	781 706	790 431	773 527	663 596
Common Stock**	6 391 737	6 227 849	5 789 479	5 320 957	4 879 161
Retained Earnings**	5 004 128	4 412 983	3 833 580	3 397 587	2 872 093
Current Maturity on Long Term Debt and Short Term Notes**	810 563	791 744	842 669	1 303 449	987 921
Total Capitalization**	$26 310 610	25 001 697	23 264 142	21 463 377	$18 654 816

**(000 Omitted)

FINANCING BY REPORTING COMPANIES

($000 Omitted)

	1982	1981	1980	1979	1978
Long Term Debt—Bonds	$597 197	586 791	1 068 916	675 033	$355 305
Debentures	16 052	4 492	156 493	4 750	69 979
Notes (Over 12 months)	351 909	595 817	451 253	333 638	328 874
Total	965 158	1 187 100	1 676 662	1 013 421	754 158
Preferred Stock	31 248	14 063	30 004	125 011	49 446
Common Stock	138 761	322 836	337 652	222 178	224 360
Total	170 009	336 889	367 656	347 189	273 806
Total for Refunding	66 361	180 643	316 768	88 774	137 216
Total for New Capital	1 068 806	1 343 356	1 727 550	1 271 836	890 748
Total Financing	1 135 167	1 523 999	2 044 318	1 360 610	1 027 964
	447 500	424 480	720 000	445 990	163 000
Sold Publicly—Bonds					
Debentures and Notes (Over 12 months)	269	13 660	185 190	13 922	35 911
Preferred Stock	30 000	4 002	4	25 002	1 006
Common Stock	493	7 054	50 909	22 513	67
Total	478 262	449 196	956 103	507 427	199 984
	149 697	162 311	348 916	229 043	192 305
Sold Privately—Bonds					
Debentures and Notes (Over 12 months)	367 692	586 649	422 556	324 466	362 942
Preferred Stock	1 248	10 061	30 000	100 009	48 440
Common Stock	138 268	315 782	286 743	199 665	224 293
Total	$656 905	1 074 803	1 088 215	853 183	$827 980

COMPOSITE BALANCE SHEET OF REPORTING COMPANIES

($000 Omitted)

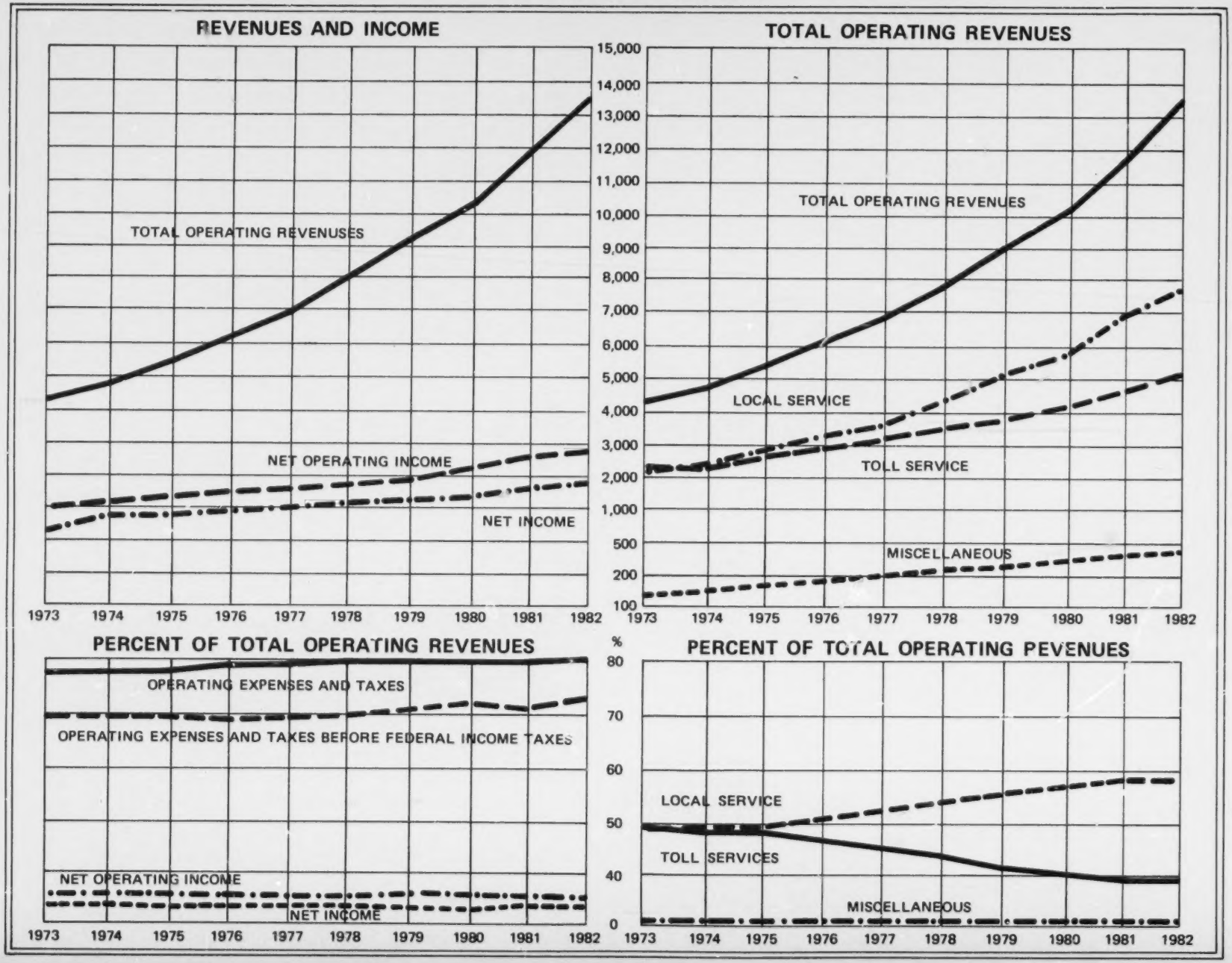
	1982	1981	1980	1979	1978
ASSETS					
Investments					
Telephone Plant (see page 22)	$40 548 413	37 574 849	34 099 864	30 899 236	$26 830 699
Less: Depreciation and Amort. Reserves	10 219 593	8 904 740	7 820 325	6 979 960	6 063 285
	30 328 820	28 670 109	26 279 539	23 919 276	20 767 414
Investments and Funds	593 234	531 194	472 845	472 955	360 935
Advances to Affiliated Companies	40 879	89 836	28 880	23 806	18 278
Total Investments	30 962 933	29 291 139	26 781 264	24 416 037	21 146 627
Current Assets					
Cash (Including Cash Funds)	543 097	440 813	393 791	335 711	300 428
Accounts Receivable (Less Reserve)	1 572 106	1 422 249	1 205 043	1 111 616	939 381
Materials and Supplies	378 860	427 411	494 049	456 362	293 347
All Other	54 283	40 377	55 311	49 184	22 060
Total Current Assets	2 548 346	2 330 850	2 148 194	1 952 873	1 555 216
Prepaid Accounts and Deferred Charges	375 971	336 232	312 116	261 562	235 752
TOTAL ASSETS	$33 887 250	31 958 221	29 241 574	26 630 472	$22 937 595
Ratio Current Assets to Current Accrued Liabilities	74.0%	62.3	64.2	55.0	54.7%
Materials and Supplies per Access Line	$17.92	20.79	25.45	24.57	$ ——

COMPOSITE BALANCE SHEET OF REPORTING COMPANIES

($000 Omitted)

	1982	1981	1980	1979	1978
LIABILITIES					
Capital Stock and Surplus					
Preferred Stock	$ 809 705	781 706	790 431	773 527	$ 663 596
Common Stock	5 058 180	4 936 481	4 630 371	4 255 660	3 882 299
Other Capital (Including Premium on Capital Stock)	1 340 487	1 298 868	1 164 266	1 069 166	1 002 879
Retained Earnings (Unappropriated and reserved)	5 004 128	4 412 983	3 833 580	3 397 588	2 872 094
Total	12 212 500	11 430 038	10 418 648	9 495 941	8 420 868
Less: Capital Stock Discount and Expense	6 929	7 500	5 158	3 870	6 017
Total	12 205 571	11 422 538	10 413 490	9 492 071	8 414 851
Long Term Debt					
Bonds	8 942 145	8 446 228	8 066 697	6 980 133	6 030 643
Debentures, Long Term Notes (Over 12 months)	4 138 867	4 133 566	3 806 285	3 524 625	3 119 525
Other Long Term Debt	213 464	207 621	135 001	163 099	101 877
Total	13 294 476	12 787 415	12 007 983	10 667 857	9 252 045
Current and Accrued Liabilities					
Current Maturity on Long Term Debt	184 089	242 047	167 854	148 074	143 198
Bank Loans and other Short Term Notes	626 474	549 697	674 815	1 155 376	844 723
Accounts Payable	950 879	1 020 429	931 274	832 946	685 387
Accrued Taxes	590 752	474 546	436 403	367 223	367 188
All Other	1 091 428	1 414 821	1 137 657	1 045 237	803 546
Total	3 443 622	3 701 540	3 348 003	3 548 856	2 844 042
Unamortized Investment Credits	1 654 853	1 376 108	1 160 764	939 801	747 623
Accumulated Deferred Income Taxes—Accelerated Tax Depr.	3 059 996	2 408 465	2 083 254	1 764 185	1 463 511
Other Types of Deferred Income Taxes	70 095	136 912	125 454	110 456	129 160
Deferred Credits and Operating Reserves	158 637	125 243	102 626	107 246	86 363
TOTAL CAPITALIZATION AND LIABILITIES	$33 887 250	31 958 221	29 241 574	26 630 472	$22 937 595

REPORTING COMPANIES



COMPOSITE INCOME STATEMENT OF REPORTING COMPANIES

Including Percentage Relationships to Total Operating Revenues

($000 Omitted)

	1982 Amount	%	1981 Amount	%	1980 Amount	%	1979 Amount	%	1978 Amount	%
Total Operating Revenues										
Local Service	$5 201 389	38.69	4 615 672	38.92	4 108 075	40.37	3 749 687	41.33	$3 343 228	42.83
Toll Service	7 874 259	58.57	6 925 498	58.39	5 795 439	56.95	5 073 290	55.91	4 242 512	54.34
Miscellaneous	526 246	3.91	453 773	3.83	391 976	3.85	341 058	3.76	291 551	3.73
Less: Uncollectibles	156 645	1.17	135 034	1.14	118 711	1.17	90 890	1.00	70 455	.90
Total	13 445 249	100.00	11 859 909	100.00	10 176 779	100.00	9 073 145	100.00	7 806 836	100.00
Operating Expenses and Taxes										
Maintenance	2 973 742	22.12	2 495 147	21.04	2 113 612	20.77	1 881 750	20.74	1 532 701	19.63
Depreciation	2 461 870	18.31	2 187 013	18.44	1 872 851	18.41	1 640 740	18.08	1 371 140	17.57
Traffic	583 259	4.33	551 745	4.65	510 208	5.01	474 269	5.23	417 556	5.35
Commercial	870 600	6.47	775 206	6.54	686 167	6.74	585 200	6.45	485 841	6.22
General Office Salaries and Exp.	946 804	7.04	816 110	6.88	695 243	6.83	602 576	6.64	501 671	6.43
Other Operating Expenses	978 602	7.28	780 145	6.58	662 603	6.51	555 537	6.12	452 048	5.79
Taxes Other Than Federal Income	945 886	7.04	843 574	7.11	737 974	7.25	674 445	7.44	644 419	8.25
Federal Income Taxes	938 077	6.98	886 778	7.48	721 562	7.09	694 064	7.65	736 844	9.44
Total	10 698 840	79.57	9 335 718	78.72	8 000 220	78.61	7 108 581	78.35	6 142 220	78.68
Net Operating Income	2 746 409	20.43	2 524 191	21.28	2 176 559	21.39	1 964 564	21.65	1 664 616	21.32
Other Income (Non-operating)	188 904	1.40	170 633	1.44	136 888	1.34	112 494	1.24	102 433	1.31
Income Available for Fixed Charges	2 935 313	21.83	2 694 824	22.72	2 313 447	22.73	2 077 058	22.89	1 767 049	22.63
Interest and Other Deductions										
Interest on Funded Debt	1 040 196	7.74	962 256	8.11	815 954	8.02	687 326	7.57	596 452	7.64
Interest—Other	140 876	1.05	214 142	1.81	223 840	2.20	177 403	1.96	88 581	1.13
Amort. Debt Discount & Exp. (Net)	7 590	.05	7 099	.06	6 164	.06	4 437	.05	4 638	.06
Other Fixed Charges	6 795	.05	5 952	.05	3 875	.04	1 442	.02	3 137	.04
Total	1 195 457	8.89	1 189 449	10.03	1 049 833	10.32	870 608	9.60	692 808	8.87
Net Income before Extra & Delayed Items	1 739 856	12.94	1 505 375	12.69	1 263 614	12.41	1 206 450	13.29	1 074 241	13.76
Extra and Delayed Items—Net	11 425	.09	387	.01	4 825	.05	3 054	.04	(1 132)	(.01)
Net Income	1 751 281	13.03	1 505 762	1.270	1 268 439	12.46	1 209 504	13.33	$1 073 109	13.75
Dividends										
Preferred	61 749	.46	61 043	.51	61 066	.60	52 811	.58	49 514	.63
Common	1 048 507	7.80	898 919	7.58	748 399	7.35	690 414	7.61	646 945	8.29
Total	$1 110 256	8.26	959 962	8.09	809 465	7.95	743 225	8.19	$696 459	8.92
Net Operating Income—in % Earned on Depreciated Plant in Service**		9.9		9.7		9.2		9.2		8.9
Income Available for Fixed Charges—in % Earned on Total Capitalization**		11.5		11.1		10.3		10.3		9.9

**Average

OPERATING REVENUE ACCOUNTS OF REPORTING COMPANIES

($000 Omitted)

	1982	1981	1980	1979	1978
LOCAL SERVICE REVENUES					
Subscribers' Station	$4 951 037	$ 4 400 496	3 903 840	3 564 897	$3 197 604
Public Telephone	82 604	73 823	65 460	61 484	52 077
Service Stations	7 110	3,766	2 355	1 914	1 513
Local Private Line Service	70 800	61 102	51 675	46 352	37 124
Other Local Service	89 838	76 485	84 745	75 040	54 911
Total Local Service Revenues	5 201 389	4 615 672	4 108 075	3 749 687	3 343 229
TOLL SERVICE REVENUES					
Message Tolls	6 529 067	5 938 666	5 120 868	4 501 671	3 896 753
Wide Area	552 679	447 133	373 177	307 519	256 050
Toll Private Line Services	200 929	171 435	129 853	120 629	101 228
Other Toll Service	25 098	16 015	11 240	9 310	8 547
	7 307 773	6 573 249	5 635 138	4 939 129	4 262 578
Settlement Affect with Connecting Companies	566 486	352 249	160 301	134 161	(20 066)
Total Toll Service Revenues	7 874 259	6 925 498	5 795 439	5 073 290	4 242 512
MISCELLANEOUS REVENUES					
Telegraph Commissions	3 839	543	3 279	2 635	805
Directory Advertising and Sales	463 670	402 222	340 603	292 836	247 797
Rent	34 989	33 072	32 468	31 038	29 463
General Services and Licenses	2 234	2 000	1 763	1 434	1 280
Others	21 514	15 936	13 863	13 115	12 205
Total Miscellaneous Revenues	526 246	453 773	391 976	341 058	291 550
UNCOLLECTIBLE REVENUES					
Uncollectible—Debit	156 645	135 034	118 711	90 890	70 455
TOTAL OPERATING REVENUES	$13 445 249	$11 859 909	10 176 779	9 073 145	$7 806 836

DETAILS OF OPERATING TAXES OF REPORTING COMPANIES

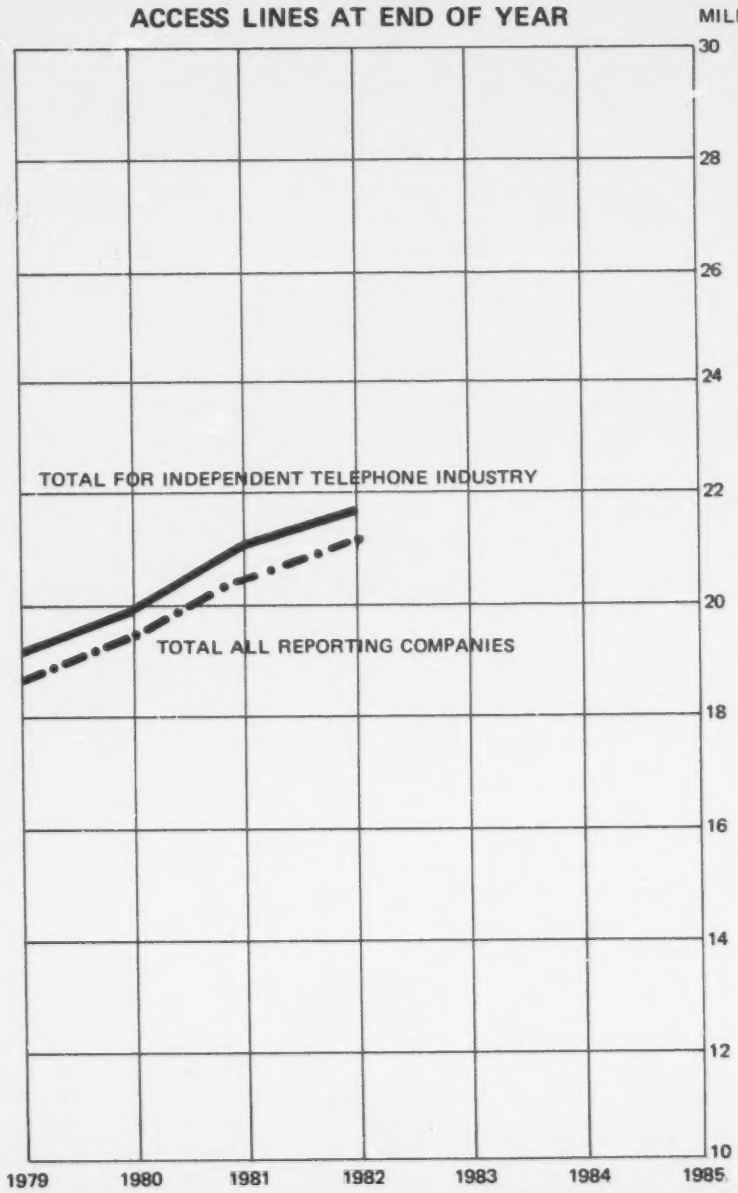
($000 Omitted)

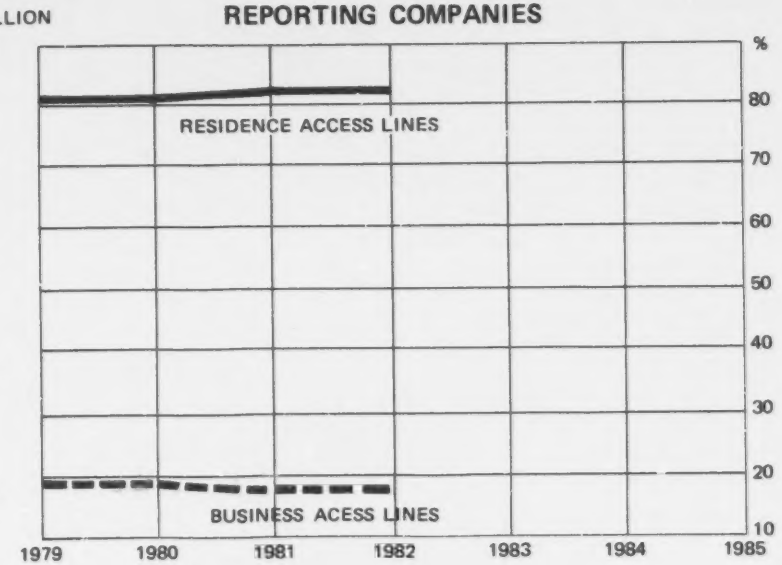
	1982		1981		1980		1979		1978	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Federal Income Taxes	$938 078	48.49	886 778	49.49	721 562	47.69	694 064	48.97	$ 736 844	51.75
State Income Taxes	112 307	5.81	96 644	5.39	76 056	5.03	73 470	5.18	78 117	5.49
Property Taxes	333 426	17.24	308 966	17.24	285 122	18.84	254 616	17.96	272 609	19.14
Gross Receipts Taxes	214 122	11.07	192 519	10.75	169 403	11.20	159 217	11.23	144 158	10.12
Total Employers Payroll Taxes	292 728	15.13	266 640	14.88	224 156	14.82	202 570	14.29	164 265	11.54
Other Miscellaneous Taxes	43 823	2.26	40 339	2.25	36 620	2.42	33 588	2.37	27 891	1.96
Total	$1 934 484	100.00	1 791 886	100.00	1 512 919	100.00	1 417 525	100.00	$1 423 884	100.00
Federal Income Taxes—Current	414 466		324 691		186 581		234 445		313 426	
Deferred Federal Income Tax	319 083		313 015		292 857		261 144		249 273	
Investment Credit (Net)	204 529		249 072		242 124		198 475		174 145	
Federal Income Taxes after Deductions	$938 078		886 778		721 562		694 064		$ 736 844	

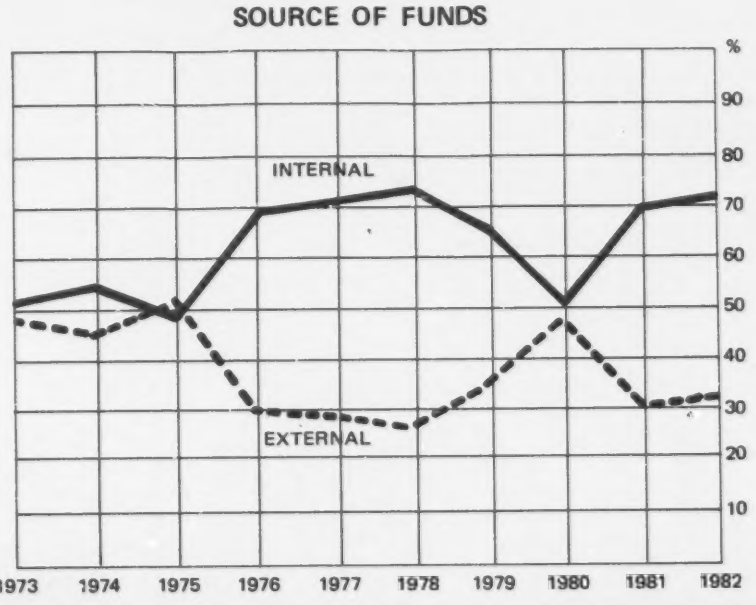
COMPOSITE TELEPHONE PLANT OF REPORTING COMPANIES

($000 Omitted)

	1982		1981		1980		1979		1978	
	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
Organization	$ 4 003	.01	3 309	.01	3 934	.01	4 050	.01	$ 4 247	.02
Franchises	1 320	—	1 257	—	1 243	—	1 439	—	890	—
Patent Rights	16	—	70	—	66	—	20	—	—	—
Land	194 612	.50	190 480	.53	175 051	.54	164 191	.56	151 205	.59
Buildings	2 281 861	5.88	2 102 423	5.84	1 956 091	6.02	1 782 938	6.07	1 587 598	6.19
Central Office Equipment	13 577 584	34.95	12 409 317	34.49	11 031 618	33.95	9 890 334	33.67	8 654 545	33.75
Station Apparatus	3 167 253	8.15	3 159 542	8.78	2 996 446	9.22	2 850 026	9.70	2 448 936	9.55
Station Connections	3 869 200	9.96	3 692 363	10.26	3 311 737	10.19	2 944 763	10.02	2 515 919	9.81
Large Private Branch Exchanges	957 213	2.48	940 839	2.61	896 732	2.76	833 293	2.84	701 166	2.74
Pole Lines	966 502	2.49	917 548	2.55	855 994	2.64	814 460	2.77	773 466	3.02
Aerial Cable	3 715 572	9.58	3 427 417	9.53	3 157 978	9.72	2 908 884	9.90	2 604 560	10.16
Underground Cable	1 764 077	4.54	1 564 245	4.35	1 359 851	4.19	1 215 900	4.14	1 044 190	4.07
Buried Cable	5 838 490	15.03	5 298 634	14.72	4 692 263	14.44	4 067 962	13.85	3 528 393	13.76
Submarine Cable	54 428	.14	48 160	.13	41 513	.13	85 821	.29	41 490	.16
Aerial Wire	207 808	.54	203 437	.57	204 837	.63	211 666	.72	221 655	.87
Underground Conduit	1 032 017	2.66	946 364	2.63	854 932	2.63	747 812	2.55	641 591	2.50
Furniture and Office Equipment	351 969	.91	288 919	.80	250 180	.77	223 502	.76	185 556	.73
Vehicles and Other Work Equipment	846 202	2.18	788 736	2.19	692 990	2.13	625 919	2.13	531 649	2.07
Telephone Plant Acquired	17 287	—	3 280	.01	7 804	.03	5 733	.02	3 198	.01
Telephone Plant Sold	9	—	(800)	—	69	—	—	—	5	—
Total Telephone Plant in Service	$38 847 423	100.00	35 985 540	100.00	32 491 329	100.00	29 378 713	100.00	$25 640 259	100.00
Telephone Plant Under Construction	1 604 435		1 494 802		1 517 488		1 436 216		1 138 081	
Property Held for Future Telephone Use	14 389		13 229		12 310		12 730		14 942	
Telephone Plant Acquisition Adjustment	78 668		79 530		77 913		70 131		38 725	
Telephone Plant Adjustment	3 648		1 890		1 098		1 722		(981)	
Less: Contributions to Plant (Credit)	150		142		274		276		327	
Total Telephone Plant	$40 548 413		37 574 849		34 099 864		30 899 236		$26 830 699	
Total Plant in Service per Access Lines	$ 1 837		1 750		1 674		1 582		$ —	
Gross Additions to Plant	4 598 759		4 622 475		4 389 586		4 106 547		3 350 853	
Less: Retirements of Plant	1 445 398		1 387 825		1 292 154		1 045 116		846 639	
Net Additions to Plant	$ 3 153 361		3 234 650		3 097 432		3 061 431		$ 2 504 214	


ACCESS LINES AT END OF YEAR
MILLION
30
28
26
24
22
20
18
16
14
12
10
TOTAL FOR INDEPENDENT TELEPHONE INDUSTRY
TOTAL ALL REPORTING COMPANIES
1979
1980
1981
1982
1983
1984
1985


REPORTING COMPANIES
%
80
70
60
50
40
30
20
10
RESIDENCE ACCESS LINES
BUSINESS ACESS LINES
1979
1980
1981
1982
1983
1984
1985


SOURCE OF FUNDS
%
90
80
70
60
50
40
30
20
10
INTERNAL
EXTERNAL
1973
1974
1975
1976
1977
1978
1979
1980
1981
1982

COMPOSITE PLANT, ACCESS LINES AND CALLING STATISTICS OF REPORTING COMPANIES

	1982	1981	1980	1979
Access Lines (Company Owned)				
Business				
a. 1-party	2 741 313	2 608 771	2 573 243	2 312 848
b. 2-party	16 480	17 907	51 898	135 815
c. 3, 4, & 5 party	26 327	24 257	31 060	79 872
d. Multi-party	16 475	16 764	18 635	20 537
e. CENTREX	371 364	337 559	330 603	320 496
PBX Trunks	379 286	362 845	357 809	354 496
Residence				
a. 1-party	14 822 373	14 152 743	13 100 437	12 430 395
b. 2-party	778 792	799 882	834 944	795 905
c. 3, 4, & 5-party	1 542 183	1 492 859	1 423 501	1 404 426
d. Multi-party	179 277	352 108	396 021	481 859
Public Mobile Main Lines	20 772	22 028	18 913	17 926
Coin Main Lines	250 943	246 223	232 080	221 769
Total	21 145 585	20 433 946	19 369 144	18 576 344
Service Telephones	194 804	214 322	133 330	113 757
Touch Tone Phones	8 598 586	7 946 610	7 420 118	6 161 031
Average Co-Owned Access Lines in Service During the Year	20 938 675	20 257 727	19 055 737	18 139 484

AVERAGE DAILY CALLS AND TOLL MESSAGES

Local Calls (000s)	179 336	180 944	173 092	166 250
Toll Messages (000s)	17 609	16 387	14 381	13 303
Local Calls per average main line	8.56	8.94	9.08	9.17
Toll Messages per average main line	.841	.809	.755	.733

NOTE: The local calls and toll messages are computed on total average co-owned telephones minus residence extensions.

REPORTING COMPANIES CENTRAL OFFICES BY NUMBER OF LINES

1982

Number of lines	1-200	201-500	501-1 000	1 001-3 000	3 001-5 000	over 5000	Total
Central Offices	1 094	2 459	2 248	2 700	694	1 134	10 329

1981

Number of lines	1-200	201-500	501-1 000	1 001-3 000	3 001-5 000	over 5 000	Total
Central Offices	1 159	2 363	2 396	2 595	680	1 063	10 256

1980

Number of lines	1-200	201-500	501-1 000	1 001-3 000	3 001-5 000	over 5 000	Total
Central Offices	1 197	2 416	2 367	2 500	625	991	10 096

1979

Number of lines	1-200	201-500	501-1 000	1 001-3 000	3 001-5 000	over 5 000	Total
Central Offices	1 343	2 445	2 231	2 460	646	927	10 052

1978

Number of lines	1-200	201-500	501-1 000	1 001-3 000	3 001-5 000	over 5 000	Total
Central Offices	1 454	2 514	2 236	2 197	571	806	9 778

1977

Number of lines	1-200	201-500	501-1 000	1 001-3 000	3 001-5 000	over 5 000	Total
Central Offices	1 591	2 558	2 155	2 135	546	769	9 754

1976

Number of lines	1-200	201-500	501-1 000	1 001-3 000	3 001-5 000	over 5 000	Total
Central Offices	1 740	2 551	2 124	1 928	623	735	9 701

1975

Number of lines	1-200	201-500	501-1 000	1 001-3 000	3 001-5 000	over 5 000	Total
Central Offices	1 883	2 500	2 080	1 891	507	675	9 536

1974

Number of lines	1-200	201-500	501-1 000	1 001-3 000	3 001-5 000	over 5 000	Total
Central Offices	2 017	2 478	1 976	1 780	539	571	9 361

1973

Number of lines	1-200	201-500	501-1 000	1 001-3 000	Over 3 000		Total
Central Offices	2 176	2 472	1 819	1 704	1 014		9 185

CENTRAL OFFICES BY TYPE

	1982	1981	1980	1979
Step by Step	6 905	7 194	7 294	7 525
Cross Bar	1 010	1 048	1 127	1 128
Analog	518	491	442	391
Digital	1 268	884	522	248
Other	628	639	711	760
Total	10 329	10 256	10 096	10 052

COMPOSITE FINANCIAL RATIOS OF REPORTING COMPANIES

	1982	1981	1980	1979	1978
Percent of Total Capitalization					
Bonds	34.0	33.8	34.7	32.5	32.3
Debentures and Notes (Over 12 months)	16.5	17.4	16.9	17.2	17.3
Preferred Stock	3.1	3.1	3.4	3.6	3.6
Common Stock	24.3	24.9	24.9	26.4	27.6
Retained Earnings	19.0	17.6	16.5	14.2	13.9
Current Maturity (LTD) and Short Term Notes	3.1	3.2	3.6	6.1	5.3
Total	100.0	100.0	100.0	100.0	100.0
Bonds					
Average Coupon Rate*	12.64%	16.27%	12.53	10.18%	8.53
% of Depreciated Plant in Service	38.6	38.7	40.6	38.6	38.3
Preferred Stock					
Average Dividend Rate	7.76%	7.74%	7.80	7.36	7.39%
Times Dividend Earned (After fixed charges)	21.56	18.44	13.42	16.85	15.81
Net Book Assets per $100	$1 162.00	$1 105.00	1 002.00	1 043.00	$943.00
Common Stock Equity					
Average Earnings per $100	$ 15.37	$ 14.23	13.15	13.97	$ 13.84
Average Dividend Paid per $100	$ 9.54	$ 8.85	8.15	8.34	$ 8.75
Percentage of Earnings Paid Out in Dividends	62.1%	62.2%	62.0	59.67	63.2
Book Value per $100 of Par or Stated Value	$ 178.00	$171.00	166.00	164.00	$159.00
% Return on Average Capitalization and Retained Earnings	10.7%	10.4%	9.7	9.6	9.3

*The average interest rate shown above is weighted average. (High for 1982 was 18.0%; Low 2.0%)

EMPLOYEES OF REPORTING COMPANIES

Classification According to Occupation	Number of Employees December 31, 1982 Male	Female
Officials and Managerial Assistants	6 602	1 495
Professional and Semi-professional Employees	15 756	5 751
Business Office and Sales Employees	2 194	14 078
Clerical Employees	3 078	31 700
Chief Operators, Supervisors and Instructors	144	2 611
Switchboard Operators and Other Switchboard Employees	1 325	18 564
Manager of Telephone Craftspeople	8 972	576
Central Office Craftspeople	19 314	4 105
Installation and Exchange Repair Craftspeople	25 561	1 118
Line, Cable, and Conduit Craftspeople	13 386	253
Laborers	386	37
Building, Supply and Motor Vehicle Employees	5 939	1 866
Other Employees—Not Elsewhere Classified	916	408
Total	103 573	82 562

	Number of Employees (Thousands)	Total Payroll (Thousands)	Average Annual Payroll per Employee	Average No. Access per Employee	Average Dollars of Investment per Employee
1982	186	4 068 627	21 858	114	$208 706
1981	192	3 774 964	19 647	107	187 284
1980	189	3 373 414	17 666	103	171 992
1979	187	3 015 101	16 125	99	157 119
1978	172	2 578 716	14 984	—	148 983
1977	160	2 218 474	13 827	—	144 871
1976	154	1 949 111	12 616	—	138 019
1975	152	1 736 809	11 448	—	128 669
1974	157	1 607 874	10 273	—	112 931
1973	157	1 438 165	9 133	—	$101 047

PLANT, REVENUES, EXPENSES AND NET OPERATING INCOME PER ACCESS LINE FOR REPORTING COMPANIES*

	1982	1981	1980	1979
Plant				
Telephone Plant in Service	$1 837	1 750	1 674	$1 582
Depreciation Reserve	483	433	403	376
Telephone Plant in Service Less Reserve	1 354	1 317	1 271	1 206
Ratio—Depreciation Reserve to Plant in Service	26.3	24.7	24.1	23.8
Total Operating Revenues				
Local Service	248.41	227.86	215.58	206.71
Toll Service	376.06	341.89	304.13	279.68
Miscellaneous	25.13	22.40	20.57	18.80
Less: Uncollectibles	7.48	6.67	6.23	5.01
Total	$ 642.12	585.48	534.05	$ 500.18
Operating Expenses and Taxes				
Maintenance	142.02	123.18	110.92	103.74
Depreciation	117.57	107.96	98.28	90.45
Traffic	27.86	27.24	26.77	26.15
Commercial	41.58	38.27	36.01	32.26
General Office Salaries and Expenses	45.22	40.29	36.48	33.22
Other	46.74	38.51	34.77	30.62
Taxes other than Federal Income Taxes	45.17	41.64	38.73	37.18
Federal Income Taxes	44.80	43.78	37.87	38.26
Total	510.96	460.87	419.83	391.88
Net Operating Income	131.16	124 61	114.22	108.30
Other Income (Non-operating)	9.02	8.42	7.18	6.20
Income Available for Fixed Charges	140.18	133.03	121.40	114.50
Interest on Other Deductions				
Interest on Funded Debt	49.68	47.50	42.82	37.89
Interest—Others	6.73	10.58	11.75	9.78
Amort. Debt Discount & Exp. (Net)	.36	.35	.32	.24
Other Fixed Charges	.32	.29	.20	.08
Total	57.09	58.72	55.09	47.99
Net Income before Extra & Delayed Items	83.09	74.31	66.31	66.51
Extra and Delayed Items—Net	.55	.02	.25	.17
Net I come	$ 83.64	74.33	66.56	$ 66.68
Dividends				
Preferred	2.95	3.01	3.20	2.91
Common	50.08	44.38	39.27	38.06
Total	$ 53.03	47.39	42.47	$ 40.97

*Profit and loss items are based on average access lines.

SELECTED OPERATING RATIOS OF REPORTING COMPANIES

	1982	1981	1980	1979	1978
Total Operating Revenues per $1 of Plant in Service (1)	$ .360	$ .346	.329	.325	.319
Total Operating Revenues per $1 of Depreciation Plant in Service (1)	$ .483	$ .457	.432	.426	.411
Operating Ratio (2)	72.6	71.2	71.5	70.7	69.2
Operating Expenses and Taxes (Excluding Federal Income Taxes) per $1 of Plant in Service (1)	$ .261	$ .246	.235	.230	.221
Net Operating Income per $1 of Plant (1)	$ .073	$ .074	.070	.070	.068
Net Operating Income per $1 of Depr. Plant (1)	$ .099	$ .097	.092	.092	.089
Maintenance—% of Plant in Service (1)	7.96	7.27	6.83	6.75	6.27
Maintenance—% of Total Operating Revenues	22.1	21.0	20.8	20.7	19.6
Depreciation—% of Plant in Service (1)	6.59	6.37	6.05	5.88	5.61
Depreciation and Maintenance—% of Total Operating Revenues	40.4	39.5	39.2	38.8	37.2
Commercial, General Office Salaries and Expenses, and Other Expenses (*)					
Per Average Access Line	$133.53	117.07	107.26	96.11	—
% of Total Operating Revenues	20.8	20.0	20.1	19.2	18.4
% of Operating Expenses Excluding all Taxes and Depreciation	44.0	43.8	43.8	42.5	42.5

(1) Average Plant in Service.

(2) Ratio of Operating Expenses before Federal Income Taxes to Total Operating Revenues.

(*) Because of a variance of accounting distribution methods these three items have been considered together.

COMPARISON OF REPORTING COMPANIES BY GROUP CLASSIFICATION

Effective January 1, 1952, the Federal Communications Commission changed the classification of telephone companies as follows:

Class A. Companies having annual operating revenues exceeding $250,000.

Class B. Companies having annual operating revenues exceeding $100,000 but nor more than $250,000.

Class C. Companies having annual operating revenues exceeding $50,000 but not more than $100,000.

REPORTING COMPANIES AND ACCESS LINES BY GROUPS

		Companies	Access Lines
1982	Class A	715	21 129 171
	Class B	39	16 414
	Total	754	21 145 585
1981	Class A	720	20 534 852
	Class B	48	26 084
	Total	768	20 560 936
1980	Class A	700	19 411 939
	Class B	65	37 257
	Total	765	19 449 196
1979	Class A	685	18 538 089
	Class B	57	35 263
	Class C	13	3 115
	Total	755	18 576 467

COMPARISON OF REPORTING COMPANIES BY GROUP CLASSIFICATION

CAPITALIZATION
($000 Omitted)

	1982	1981	1980	1979	1978
Class A Companies					
Total Capitalization	$26 291 989	24 972 806	23 222 915	21 421 882	$18 606 219
% Funded Debt Bonds	34.0	33.8	34.7	32.6	32.4
% Other Long Term Debt	16.5	17.3	16.9	17.1	17.2
% Preferred Stock	3.1	3.1	3.4	3.6	3.6
% Common Stock	24.3	24.9	24.9	21.7	27.7
% Current Maturity (LTD) Short Term Notes	3.1	3.2	3.6	6.1	5.3
% Retailed Earnings	19.0	17.7	16.5	18.9	13.8
Class B Companies					
Total Capitalization	$ 18 621	28 891	41 226	37 363	$ 43 579
% Funded Debt Bonds	0	.0	.8	.8	.7
% Other Long Term Debt	50.2	65.6	64.6	63.4	63.2
% Preferred Stock	.4	.3	.2	.1	.1
% Common Stock	8.6	7.9	9.2	10.0	10.3
% Current Maturity (LTD) Short Term Notes	5.3	1.7	2.7	3.0	2.8
% Retained Earnings	35.5	24.5	22.5	22.7	22.9

PLANT IN SERVICE AND DEPRECIATION RESERVE

Class A Plant	$38 824 587	35 951 655	32 443 788	29 333 315	$25 586 400
Depreciation Reserve	$10 211 231	8 893 531	7 807 069	6 967 210	$ 6 047 598
% Reserve	26.3	24.7	24.1	23.8	23.6
Class B Plant	$ 22 836	33 885	47 542	41 927	$ 48 196
Depreciation Reserve	$ 8 362	11 209	13 256	11 543	$ 13 667
% Reserve	36.6	33.1	27.9	27.5	28.4

COMPARISON OF REVENUES, EXPENSES AND NET OPERATING INCOME PER ACCESS LINE

Class A and B Companies

	1982 Company Classification		1981 Company Classification		1980 Company Classification		1979 Company Classification	
	A	B	A	B	A	B	A	B
Operating Revenues								
Local Service	$248.50	129.28	227.99	121.40	215.78	116.26	$206.92	111.94
Toll Service	376.17	237.23	342.08	176.03	304.38	181.02	279.91	171.41
Miscellaneous	25.14	10.19	22.41	11.01	20.59	8.25	18.82	9.21
Less: Uncollectibles	7.48	2.73	6.67	2.16	6.24	2.50	5.02	2.46
Total	$642.33	373.97	585.81	306.28	534.51	303.03	$500.63	290.10
Operating Expenses and Taxes								
Maintenance	142.07	75.03	123.25	61.65	111.02	59.64	103.85	51.95
Depreciation	117.61	76.64	108.01	67.95	98.35	64.10	90.52	59.52
Traffic	27.87	4.74	27.27	4.45	26.82	4.10	26.19	4.09
Commercial	41.59	23.18	38.29	18.48	36.04	18.72	32.29	18.11
General Office Salaries and Exp.	45.21	51.65	40.28	42.83	36.47	46.30	33.20	44.26
Other	46.75	31.18	38.52	31.63	34.78	29.16	30.63	27.89
Taxes Other than Federal Income	45.19	24.26	41.67	23.38	38.76	23.09	37.22	20.10
Federal Income Taxes	44.82	16.38	43.82	9.12	37.92	7.51	38.32	7.94
Total	$511.11	303.06	461.11	259.49	420.16	252.62	$392.22	233.86
Net Operating Income	$131.22	70.91	124.70	46.79	114.35	50.41	$108.41	56.24
Oper. Revenues per $1 of Plant (1)	.360	.276	.346	.242	.329	.247	.325	.252
Operating Ratio Before F. I. Taxes (2)	72.6	76.7	71.2	81.7	71.5	80.9	70.7	77.9
Oper. Expenses and Taxes (Excl. F. I. Taxes per $1 of Plant (1)	.261	.211	.246	.198	.235	.199	.230	1.97
Net Oper. Income per $1 of Plant (1)	.073	.052	.074	.037	.070	.041	.070	.049
Net Oper. Income per $1 of Depr. Plant (1)	.099	.088	.097	.055	.093	.057	.092	.068
Maintenance—% of Plant (1)	7.96	5.53	7.27	4.87	6.83	4.85	6.75	4.52
Maintenance—% of Total Rev.	22.1	20.1	21.0	20.1	20.8	19.7	20.7	17.9
Depreciation—% of Plant (1)	6.59	5.65	6.37	5.36	6.06	5.22	5.88	5.18
Depreciation and Maintenance % of Total Operating Revenues	40.4	40.6	39.5	42.3	39.2	40.8	38.8	38.4

(1) Average Plant in Service
(2) Ratio of Operating Expenses to Total Operating Revenues

R. E. A. LOAN ACTIVITIES
RURAL TELEPHONE PROGRAM*

As of end of Month		Funds Loan Approved (net) ($000)	Funds Advanced Cumulative ($000)	Number Borrowers	Number of Subscribers To Receive Improved Service	Number of Subscribers To Receive Initial Service	Number of Subscribers Total
December 1982	REA	4 326 561	3 639 548	994	1 812 556	3 305 961	5 118 517
	RTB	1 725 582	1 242 381	504			
December 1981	REA	4 076 323	3 415 708	978	1 764 016	3 150 062	4 914 078
	RTB	1 529 474	1 136 115	467			
December 1980	REA	3 844 840	3 150 443	962	1 692 092	3 027 195	4 719 287
	RTB	1 388 221	997 293	443			
December 1979	REA	3 606 093	2 892 056	954	1 657 622	2 882 568	4 540 190
	RTB	1 261 805	793 682	426**			
December 1978	REA	3 354 379	2 674 843	942	1 615 965	2 754 298	4 370 263
	RTB	1 120 500	660 120	408**			
December 1977	REA	3 034 007	2 526 906	930	1 544 766	2 573 780	4 118 546
	RTB	979 228	515 020	387**			
December 1976	REA	2 851 239	2 370 610	922	1 488 386	2 418 197	3 906 583
	RTB	767 844	429 329	371**			
December 1975	REA	2 575 512	2 211 707	908	1 420 361	2 140 171	3 560 532
	RTB	617 607	334 737	340**			
December 1974	REA	2 356 705	2 070 171	898	1 265 352	1 834 894	3 100 246
	RTB	473 913	207 379	291**			
December 1973	REA	2 217 208	1 933 685	889	1 231 257	1 703 566	2 934 823
	RTB	319 100	80 832	239**			
December 1982			**BY TYPE OF BORROWER**				
Cooperatives		2 242 094	1 823 505	258	321 486	818 283	1 139 769
Commercial		131 938	128 900	732	1 442 339	2 411 257	3 853 596
Public Bodies		131 938	128 900	4	48 731	76 421	125 152
Total		6 052 143	4 881 929	994	1 812 556	3 305 961	5 118 517

*Monthly Statistical Summary.
**RTB—Rural Telephone Bank Borrowers included in The Total REA Borrowers.

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American Telephone & Telegraph Company
Comptrollers - Accounting Division

Number of Telephones in the United States
Distribution By States - January 1, 1983

	Total Number of Telephones	Distribution of Telephones					Resident Population	Households
		By Ownership			By Type of Service			
		Bell System Companies (1)	Bell Associated SNET & CINN	Bell Service (2)	Residence	Business		
Alabama	2,132,623	2,117,605		15,018	1,607,285	525,338	3,956,000	1,394,000
Arizona	2,036,776	2,029,968		6,808	1,518,319	518,457	2,897,000	1,050,000
Arkansas	983,657	983,470		187	740,837	242,820	2,290,000	842,000
California	14,852,196	14,818,620		33,576	10,015,939	4,836,257	24,993,000	9,321,000
Colorado	2,513,426	2,506,498		6,928	1,784,020	729,406	3,081,000	1,154,000
Connecticut	2,639,358	60,138	2,579,220		1,946,362	692,996	3,164,000	1,139,000
Delaware	530,734	530,734			381,432	149,302	604,000	215,000
District of Columbia	1,073,498	1,070,387		3,111	491,539	581,959	630,000	256,000
Florida	5,413,574	5,401,422		12,152	4,020,513	1,393,061	10,557,000	4,143,000
Georgia	3,642,638	3,619,213		23,425	2,663,101	979,537	5,679,000	1,990,000
Idaho	544,444	544,394		50	405,063	139,381	969,000	339,000
Illinois	8,070,060	8,070,060			5,969,270	2,100,790	11,456,000	4,151,000
Indiana	2,487,830	2,482,380	3,831	1,619	1,887,303	600,527	5,467,000	1,972,000
Iowa	1,485,839	1,485,839			1,092,647	393,192	2,905,000	1,077,000
Kansas	1,610,594	1,609,978		616	1,193,844	416,750	2,420,000	911,000
Kentucky	1,557,742	1,339,828	199,229	18,685	1,183,048	374,694	3,670,000	1,296,000
Louisiana	2,875,084	2,864,925		10,159	2,155,125	719,959	4,397,000	1,518,000
Maine	712,594	712,561		33	542,750	169,844	1,135,000	409,000
Maryland	3,551,534	3,514,396		37,138	2,626,454	925,080	4,270,000	1,517,000
Massachusetts	4,590,100	4,589,164		936	3,339,790	1,250,310	5,788,000	2,091,000
Michigan	6,070,607	6,068,522		2,085	4,567,734	1,502,873	9,056,000	3,191,000
Minnesota	2,387,576	2,387,082		494	1,704,871	682,705	4,145,000	1,499,000
Mississippi	1,477,284	1,473,347		3,937	1,126,335	350,949	2,559,000	862,000
Missouri	2,956,573	2,955,768		805	2,183,189	773,384	4,959,000	1,848,000
Montana	505,079	504,902		177	365,730	139,349	804,000	298,000
Nebraska	743,069	743,069			552,380	190,689	1,590,000	592,000
Nevada	256,849	253,061		3,788	165,910	90,939	898,000	349,000
New Hampshire	675,322	675,322			503,765	171,557	958,000	344,000
New Jersey	6,558,988	6,546,454		12,534	4,822,572	1,736,416	7,450,000	2,640,000
New Mexico	748,177	727,695		20,482	522,358	225,819	1,373,000	478,000
New York	10,335,823	10,329,914		5,909	7,345,062	2,990,761	17,699,000	6,525,000
North Carolina	2,217,278	2,217,278			1,633,748	583,530	6,056,000	2,155,000
North Dakota	417,410	417,358		52	300,086	117,324	676,000	244,000
Ohio	5,757,614	4,755,849	973,042	28,723	4,363,241	1,394,373	10,791,000	3,921,000
Oklahoma	2,167,442	2,152,986		14,456	1,546,933	620,509	3,216,000	1,212,000
Oregon	1,301,743	1,301,647		96	870,321	431,422	2,649,000	1,021,000
Pennsylvania	7,632,716	7,632,716			5,711,741	1,920,975	11,865,000	4,310,000
Rhode Island	710,236	710,236			543,301	166,935	959,000	350,000
South Carolina	1,438,713	1,434,513		4,200	1,053,861	384,852	3,222,000	1,088,000
South Dakota	397,252	397,252			290,876	106,376	691,000	250,000
Tennessee	2,592,593	2,592,182		411	1,965,108	627,485	4,667,000	1,679,000
Texas	9,254,227	9,200,437		53,790	6,491,539	2,762,688	15,566,000	5,531,000
Utah	1,011,957	997,162		14,795	763,284	248,673	1,574,000	494,000
Vermont	327,681	327,681			238,404	89,277	517,000	184,000
Virginia	3,029,523	3,006,500		23,023	2,168,789	860,734	5,527,000	1,964,000
Washington	2,287,311	2,277,728		9,583	1,564,668	722,643	4,259,000	1,622,000
West Virginia	945,381	945,363		18	715,271	230,110	1,950,000	703,000
Wisconsin	2,194,220	2,194,214		6	1,582,337	611,883	4,781,000	1,717,000
Wyoming	402,563	401,478		1,085	274,480	128,083	508,000	183,000
UNITED STATES	140,105,508	135,979,296	3,755,322	370,890	101,502,535	38,602,973	231,293,000	84,039,000

(1) American Telephone and Telegraph Company and its Principal Telephone Subsidiaries. Excludes 489,734 private line telephones.

(2) Non-Company telephones for which switching service is provided. Principally government installations (business) and "fa[illegible]' lines" (residence).

(3) Population including armed forces overseas was 233,267,000.